

**CITY OF TAKOMA PARK  
MUNICIPAL OFFICIALS**

**Mayor**

Kathy Porter

**Councilmembers**

Joy Austin-Lane, Ward 1

Colleen Clay, Ward 2

Bruce R. Williams, Ward 3

Terry J. Seamens, Ward 4

Marc Elrich, Ward 5

Doug Barry, Ward 6

**City Manager**

Barbara B. Matthews

**Deputy City Manager**

T. Wayne Hobbs

**Community and Government Liaison**

Suzanne Ludlow

**Management Team**

Ellen Arnold-Robbins, Library

Daryl Braithwaite, Public Works

Yovonda Brooks, Finance

Jessie Carpenter, City Clerk

Abel Castillo, Information Systems

Cindy Creamer, Police

Sara Daines, Housing and Community Development

Karen Hampton, Human Resources

Debra Haiduven, Recreation

Lonni Moffet, Communications



**Joy Austin-Lane**  
**Councilmember**  
**Ward 1**



**Colleen Clay**  
**Councilmember**  
**Ward 2**



**Bruce R. Williams**  
**Councilmember**  
**Ward 3**



**Terry J. Seamens**  
**Councilmember**  
**Ward 4**



**Marc Elrich**  
**Councilmember**  
**Ward 5**



**Doug Barry**  
**Councilmember**  
**Ward 6**



**Kathy Porter**  
**Mayor**



A MESSAGE FROM THE CITY COUNCIL

# The City of Takoma Park

## Office of the City Council

Telephone: 301.891.7100  
Fax: 301.270.8794  
[www.takomaparkmd.gov](http://www.takomaparkmd.gov)



7500 Maple Avenue  
Takoma Park, MD 20912

June 13, 2006

Dear Fellow Takoma Park Residents:

Enclosed is the City of Takoma Park's adopted budget for the fiscal year beginning July 1, 2006 and ending June 30, 2007 ("FY07"). A proposed budget was submitted by the City Manager on April 10, 2006. The City Council held a public hearing in early May to receive your comments on the budget, after which the City Council held numerous work sessions. The FY07 budget was formally approved on June 12, 2006, after additional public comments.

During the first quarter of calendar year 2006, the City Council met with staff to identify goals and priorities. The City Council established the following policy areas for the years 2006 and 2007:

Preservation of affordable housing in the community

Completion of the Community Center and exploration of the proposed gymnasium

Promotion of appropriate development in various areas of the City

Redevelopment of the New Hampshire Avenue corridor

Fairer tax duplication payments from Montgomery County

Specific action steps associated with the advancement of these goals and priorities were discussed and approved by the City Council during its deliberations. Implementation of some items required additional financial and staffing resources, which are reflected in the FY07 budget. They include the following:

Continuation of the Tenant Capacity Building program and the Housing Tax Credit program as recommended in the City's *Affordable Housing Policy and Action Plan*.

An additional code enforcement officer position to provide a higher level of service, particularly in the New Hampshire Avenue corridor.

An additional planning intern to provide staff support for the redevelopment of the New Hampshire Avenue corridor. Funding in the amount of \$10,000 for marketing and promotional materials related to this effort.

An allocation of \$25,000 for neighborhood-specific traffic studies.

- Funding in the amount of \$45,000 for pedestrian safety initiatives. The monies are earmarked for modifications to the intersections of Glenside and Wildwood and Elm and Lincoln, as well as installation of a sidewalk on Boston Avenue, from Philadelphia Avenue to Takoma Avenue.
- An allocation of \$100,000 for specialized planning consulting services related to development issues.
- Use of Program Open Space monies for a feasibility study and site analysis for a proposed gymnasium addition to the Takoma Park Community Center.

In addition to actions related to the five priority areas, the FY07 budget also addresses other items of community concern. A few items that may be of interest to you are:

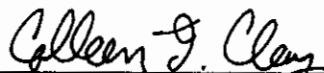
- Expansion of the City's take-home car program for police officers in order to enhance the City's retention and recruitment efforts.
- Funding of the new Safe Takoma cross-jurisdictional crime prevention initiative in the area around the Takoma Metro station.
- Installation of a second elevator in the Community Center
- Two new part-time positions in the Police Department budget to maintain the department's accreditation standards and to address property and evidence matters.
- Purchase of a handicapped accessible small bus for the Recreation Department.

We are pleased to have the opportunity to serve as your City Council and to work with you for the enhancement of Takoma Park.

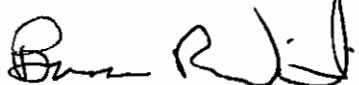
Sincerely,



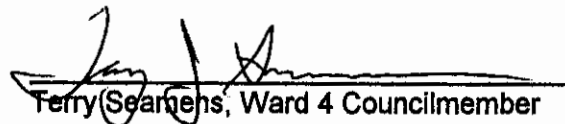
Joy Austin-Lane, Ward 1 Councilmember



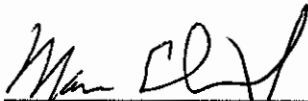
Colleen Clay, Ward 2 Councilmember



Bruce R. Williams, Ward 3 Councilmember



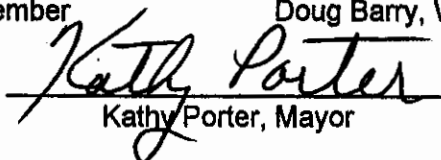
Terry Searns, Ward 4 Councilmember



Marc Elrich, Ward 5 Councilmember



Doug Barry, Ward 6 Councilmember

  
Kathy Porter, Mayor

# The City of Takoma Park



## Office of the City Manager

Telephone: 301.891.7100  
Fax: 301.270.8794  
Email: [BarbaraM@takomagov.org](mailto:BarbaraM@takomagov.org)

7500 Maple Avenue  
Takoma Park, MD 20912

**Barbara B. Matthews, City Manager**

April 10, 2006

Members of the Takoma Park City Council:

I am pleased to present for your review and consideration my recommended budget for Fiscal Year 2007 ("FY07") for the City of Takoma Park. The proposed budget represents the culmination of considerable work by the Management Team and other staff members, and I wish to take this opportunity to express my appreciation to all of them.

During the first quarter of calendar year 2006, the City Council met with staff to identify goals and priorities. The City Council agreed on the following policy areas for the years 2006 and 2007:

Preservation of affordable housing in the community

Completion of the Community Center and exploration of the proposed gymnasium

Promotion of appropriate development in various areas of the City

Redevelopment of the New Hampshire Avenue corridor

Fairer tax duplication payments from Montgomery County

Specific action steps associated with the advancement of these goals and priorities were discussed and approved by the City Council during its deliberations. My recommended budget for FY07 reflects the financial and staffing resources necessary to implement these action steps. These resources are highlighted in this transmittal message.

In addition to the advancement of the aforementioned goals and priorities, my recommended budget is predicated on the attainment of other key objectives, including the following:

Maintenance of adequate financial reserves to avoid any disruption in services caused by a decline in a significant revenue source as well as to address timing differences in the receipt of monies

Maintenance of Takoma Park's infrastructure and the City vehicle/equipment fleet

The FY07 budget accounts for the City's financial activities through four primary funds or fiscal entities. They are the General Fund, the Stormwater Management Fund, the Special Revenue Funds (comprised of several sub-funds), and the Community Center Fund.

Combined expenditures for all funds equal \$19,303,920. Combined revenues for all funds total \$18,211,236, with the balance comprised of fund balance in the amount of \$1,092,684. A portion of this amount represents the use of street loan proceeds and the Equipment Replacement Reserve.

This budget transmittal letter includes a brief overview of each of these funds and provides information on anticipated revenues and expenditures for FY07.

### **GENERAL FUND**

The General Fund accounts for the day-to-day operational activities of the City, such as police protection, snow removal, and general administration. Departmental activities included in the General Fund are as follows:

- General Government
- Police
- Public Works
- Recreation
- Housing and Community Development
- Communications
- Library

In addition to the aforementioned operational activities of the City, the General Fund also provides for certain expenditures that are not related to a particular department. These expenditures, classified as "non-departmental" for budgetary purposes, include general liability and other insurance coverage. Non-departmental expenditures also include financial support of various City boards/commissions and community events.

The General Fund provides for principal and interest payments on the City's outstanding debt obligations. These obligations, which were incurred as a result of long or short-term borrowing or lease financing, are accounted for in the debt service division of the General Fund.

The City's capital expenditures are recorded in the General Fund. These expenditures include purchase of vehicles and equipment as well as the cost of infrastructure-related projects, including street improvements. Certain monies are set aside for the scheduled replacement of vehicles and equipment; these funds are accounted for in the Equipment Replacement Reserve.

### **Revenues**

Major revenue sources for the General Fund are taxes and utility fees and intergovernmental revenues. Tax duplication payments from Montgomery County also provide a significant portion of General Fund revenues. Commonly referred to as "rebates," these payments are intended to compensate Takoma Park for taxes paid to Montgomery County for services provided by the

City of Takoma Park. Other General Fund revenues are derived from licenses and permits, fines and forfeitures, investment earnings, and miscellaneous fees and charges.

The following table summarizes projected General Fund operating revenues for FY07 by source. Budgeted and estimated revenues for FY06 are provided for comparative purposes.

<b>Revenue Source</b>	<b>Budgeted FY06</b>	<b>Estimated FY06</b>	<b>Proposed FY07</b>
Taxes and utility fees	\$ 9,975,839	\$ 9,974,777	\$10,899,792
Licenses and permits	66,854	56,024	56,754
Fines and forfeitures	186,000	193,000	178,000
Use of money and property	106,000	155,000	111,000
Charges for service	580,000	570,600	661,600
Intergovernmental	4,440,346	4,481,899	4,478,646
Miscellaneous	289,880	263,385	123,300
<b>Total Revenues</b>	<b>\$15,644,919</b>	<b>\$15,695,185</b>	<b>\$16,509,092</b>

Like other municipalities in the metropolitan area, the City continues to experience significant increases in property valuation. According to the Maryland Department of Assessments and Taxation, the City's assessable real property base (net) is projected to increase by approximately \$115.6 million, or 9.9 percent from FY06 to FY07.

In FY06, the City Council reduced the real property tax rate from \$0.66 per \$100 of assessed valuation to \$0.63. The proposed budget for FY07 is predicated on the continuation of the \$0.63 rate. Because of strong property values, revenues from this source will increase by approximately \$810,000 compared to FY06, even though the rate remains unchanged.

Real property tax revenues constitute the single largest source of the City's operating revenues. This source is projected to generate \$8,057,270, which equates to 48.8 percent of total operating revenues in FY07.

In reviewing General Fund revenues for FY07, there are several additional areas that I would like to emphasize. These areas are as follows:

State police protection revenues are projected to decrease by approximately \$38,000 compared to the FY06 budget. The monies received by the City are based on police-related expenditures. The amount in prior years was higher due to the police-related component of the Community Center project.

Income tax revenues are projected to increase by \$101,000 compared to the FY06 budget.

Tax duplication payments from Montgomery County are expected to total \$3,005,069. This represents an increase of \$28,599 compared to the FY06 budget.



Tax duplication payments are estimated to provide 18.2 percent of General Fund revenues in FY07.

The tax duplication payment for police services remains unchanged from actual receipts in the prior fiscal year. Based on the agreed upon rebate formula, the County advised the City that the amount for FY07 would actually decrease compared to FY06. The stated reason for this was a decrease in average police salaries due to staff turnover. In order to hold the City harmless, the County Executive's proposed budget maintains the FY07 tax duplication payment at the prior year level.

During FY06, the City Council authorized the hiring of an additional crossing guard for the post located at the intersection of Philadelphia Avenue and Cedar Avenue. The City subsequently negotiated an increase in the tax duplication payment for crossing guards.

Revenues from service charges are projected to increase by \$81,600 compared to the FY06 budget. The increase is primarily attributable to increased revenues from recreational programs as a result of the new Community Center.

### **Expenditures**

The proposed budget reflects total General Fund expenditures of \$17,344,564. The following table summarizes projected expenditures for FY07 by department/budget unit. Budgeted and estimated expenditures for FY06 are provided for comparative purposes.

<b>Department/Budget Unit</b>	<b>Budgeted FY06</b>	<b>Estimated FY06</b>	<b>Proposed FY07</b>
General Government	\$ 1,940,949	\$ 1,820,620	\$ 2,032,564
Police	4,642,381	4,575,141	5,004,113
Public Works	3,451,797	3,285,648	3,493,716
Recreation	1,109,234	974,780	1,170,268
Housing & Comm. Development	1,091,921	994,870	1,352,076
Communications	347,919	341,917	357,981
Library	866,172	804,042	871,265
Non-departmental	886,815	557,540	1,249,977
Capital outlay	2,202,562	1,741,872	1,041,291
Debt service	892,484	856,285	871,313
<b>Total Expenditures</b>	<b>\$17,432,234</b>	<b>\$15,952,715</b>	<b>\$17,444,564</b>

The combined operational costs of the Police Department and the Public Works Department constitute the majority of General Fund expenditures, accounting for about 49 percent of total expenditures.

Relative to other General Fund expenditures for FY07, I would like to highlight the following areas:



An additional code enforcement officer position is included in the Housing and Community Development Department to provide a higher level of service, particularly in the New Hampshire Avenue corridor.

An additional planning intern is included in the Housing and Community Development Department to provide staff support for the redevelopment of the New Hampshire Avenue corridor. Funding in the amount of \$10,000 is also included for marketing and promotional materials related to this effort.

The Housing and Community Development Department's budget includes funding in the amount of \$100,000 for specialized planning consulting services related to development issues.

The Housing and Community Development Department's budget includes funding in the amount of \$25,000 for neighborhood-specific traffic studies.

Funding is provided for the continuation of the Tenant Capacity Building program and the Housing Tax Credit program as recommended in the City's *Affordable Housing Policy and Action Plan*.

Increased funding has been provided to expand the City's take-home car program for police officers in order to enhance the City's recruitment efforts. Funding in the amount of \$114,940 is included in the City's Capital Improvement Program.

Two new part-time positions are reflected in the Police Department budget. One of these civilian positions would focus on maintaining the department's accreditation standards while the other would be responsible for property and evidence.

The Non-Departmental budget includes funding in the amount of \$20,000 for emergency preparedness supplies.

The Capital Improvement Program for FY07 includes the purchase of a new vehicle for the Recreation Department. Staff proposes to purchase a small bus that seats 15 and can accommodate 12 persons and two wheelchairs; the vehicle would have a lift. The cost of the vehicle is \$53,000.

A contribution of \$300,000 to the Equipment Replacement Reserve is proposed to ensure funding for the future replacement of equipment and vehicles. During FY06, staff undertook a review of the Equipment Replacement Reserve program and noted a number of items, including computer servers and police patrol vehicles, which should be included in the program.

The Capital Improvement Program for FY07 includes funding in the amount of \$45,000 for pedestrian safety initiatives. Of this amount, \$25,000 is earmarked for modifications to the intersection of Glenside and Wildwood.

During its deliberations of goals and priorities, the City Council discussed the use of City funds for both the existing CSAFE in the Crossroads area (which is currently funded through grant monies) and the implementation of a similar program in the Takoma Metro area. In regard to the existing CSAFE, it was suggested that the City commit to continuation of the program for at least six months; the projected cost of doing so is approximately \$100,000. The annual cost of the proposed Takoma Metro area program is approximately \$150,000. As of the date of this transmittal message, no commitment has been made by another jurisdiction to participate in the proposed Takoma Metro area program. Pending direction from the Council, no funding has been included in the proposed budget for FY07 for either proposal.

### **Fund Balance**

A key element of the budget is the projected ending fund balance. Fund balance represents the accumulation of the difference between actual revenues and expenditures. The source and timing of revenues, as well as the stability of revenue sources, dictate the level of fund balance necessary to avoid cash shortages in normal day-to-day operations.

The General Fund is anticipated to begin FY07 with a fund balance of \$4,270,398. Approximately one-third of this amount is reserved for specific purposes and is not available for general operations of the City. Reserved funds include proceeds from the FY05 street loan, the Equipment Replacement Reserve, and the Emergency Reserve.

The proposed budget for FY07 contemplates the use of \$1,085,303 in fund balance monies. Of this amount, \$91,300 represents the anticipated expenditure of street loan monies. Equipment Replacement Reserve funds in the amount of \$300,951 will be expended. Operating transfers in the amount of \$149,831 will be made from the General Fund to other funds. The balance will be used to make up the difference between operating revenues and expenditures during the fiscal year.

As of June 30, 2007, the General Fund is projected to have a fund balance of \$3,185,095. Included in this amount are the unexpended balance of the street loan proceeds as well as the monies designated for the Equipment Replacement Reserve and the Emergency Reserve. Combined, these restricted funds are projected to total approximately \$1,336,984, or about 42 percent of the total General Fund fund balance.

In accordance with the Charter of the City of Takoma Park, the FY07 budget includes two contingency accounts. Combined, these accounts equal 2.5 percent of budgeted revenues and are budgeted in the non-departmental unit of the General Fund. For the purpose of projecting the fund balance as of June 30, 2007, I have assumed expenditure of the full amount of the contingency accounts during the fiscal year. If these monies are not expended, the projected fund balance will increase by approximately \$413,000.

## **STORMWATER MANAGEMENT FUND**

The City is responsible for providing stormwater management services within its corporate boundaries. These services, which are directed by the Public Works Department, include the construction and the maintenance and repair of storm drains, inlets, channels, and ditches. Additionally, the City ensures compliance with state and federal requirements for erosion and pollution control associated with stormwater run-off.

### **Revenues**

Almost all fund revenues are derived from stormwater management fees paid by property owners in the City. Other Stormwater Management Fund revenues are derived from permit fees, late fees, interest charges, and investment earnings.

All property owners in the City pay a fee that is based on the amount of impervious surface on the property. Each single-family residential dwelling unit is billed at a flat rate equal to the average amount of impervious surface on a single-family lot (1,228 square feet).

Resolution 1997-07 established an initial base rate of \$24 per single-family residential lot. The City Council increased this rate to \$28.63 in 1999. The rate has not changed since that time.

During FY06, staff undertook a review of the stormwater management fee and reported its findings to the City Council in February 2006. Staff noted the compliance costs associated with the NPDES Phase II requirements of the Clean Water Act, as well as the dramatic increase in inspection and maintenance costs since establishment of the stormwater management program. For example, the City recently awarded a new contract for TV inspection that costs approximately three times more than the program did in 1998. Due to funding constraints, the City has been unable to move forward with many capital improvement projects designed to address concerns identified by both staff and property owners.

After considering staff's report, the City Council endorsed an increase in the base rate to \$48. Stormwater Management Fund revenues in FY07 are predicated on this new rate.

The following table summarizes projected Stormwater Management Fund revenues for FY07 by source. Budgeted and estimated revenues for FY06 are provided for comparative purposes.

<b>Revenue Source</b>	<b>Budgeted FY06</b>	<b>Estimated FY06</b>	<b>Proposed FY07</b>
Licenses and permits	\$ 2,000	\$ 325	\$ 1,000
Use of money and property	1,000	20,000	500
Charges for service	210,000	210,000	375,000
<b>Total Revenues</b>	<b>\$213,100</b>	<b>\$230,325</b>	<b>\$376,500</b>

### **Expenditures**

The proposed budget reflects total Stormwater Management Fund expenditures of \$348,881. The following table summarizes projected expenditures for FY07 by classification of expenditure. Budgeted and estimated expenditures for FY06 are provided for comparative purposes.

<b>Classification of Expenditure</b>	<b>Budgeted FY06</b>	<b>Estimated FY06</b>	<b>Proposed FY07</b>
Public Works	\$138,325	\$130,627	\$248,881
Capital Outlay	89,675	89,675	100,000
<b>Total Expenditures</b>	<b>\$228,000</b>	<b>\$220,302</b>	<b>\$348,881</b>

Fund expenditures include 50 percent of the personnel cost of the City Engineer, who directs the City's stormwater management activities. The FY07 budget includes funding for an intern position to assist the City Engineer in his stormwater management duties.

Costs associated with the maintenance and repair of the City's stormwater system, as well as capital projects, are also accounted for in the Stormwater Management Fund. As noted previously in this transmittal message, the vast majority of fund revenues are derived from stormwater management fees paid by property owners in the City. These fees are billed in the third quarter of the fiscal year, which affects the timing of fund expenditures. As a result, the majority of capital projects will be constructed late in the fiscal year.

### **Fund Balance**

The Stormwater Management Fund is anticipated to begin FY07 with a fund balance of \$76,407. The projected fund balance as of June 30, 2007 is \$104,026.

## **SPECIAL REVENUE FUNDS**

The City receives a variety of grants that provide funding for law enforcement, community revitalization, parks development, and infrastructure improvements. The City utilizes Special Revenue Funds to account for revenue and expenditure activity attributable to the specific project funded by these grants.

### **Revenues**

The following table summarizes projected Special Revenue Fund revenues and other financing sources for FY07. Budgeted and estimated revenues for FY06 are provided for comparative purposes.

<b>Revenue/Financing Source</b>	<b>Budgeted FY06</b>	<b>Estimated FY06</b>	<b>Proposed FY07</b>
Intergovernmental	\$1,855,724	\$1,305,326	\$940,069
Operating transfers in	14,434	12,936	4,639
<b>Total Revenues</b>	<b>\$1,870,158</b>	<b>\$1,318,262</b>	<b>\$944,708</b>

Grants will be received from a number of entities in FY07, including the following:

United States Department of Justice

Governor's Office of Crime Control and Prevention

United States Department of Homeland Security

Community Development Block Grant Program

Program Open Space

### **Expenditures**

The proposed budget reflects total Special Revenue Fund expenditures of \$849,708. The following table summarizes projected expenditures for FY07 by department. Budgeted and estimated expenditures for FY06 are provided for comparative purposes.

<b>Department</b>	<b>Budgeted FY06</b>	<b>Estimated FY06</b>	<b>Proposed FY07</b>
General Government	\$ 371,000	\$ 311,000	\$ 65,000
Police	377,843	197,497	273,375
Public Works	671,028	666,479	211,950
Recreation	117,762	102,762	28,333
Housing & Comm. Development	332,525	32,525	3166,050
<b>Total Expenditures</b>	<b>\$1,870,158</b>	<b>\$1,310,263</b>	<b>\$894,708</b>

Specific projects and programs to be funded with grant monies during FY07 include the following:

Collaborative Supervision and Focused Enforcement (CSAFE) Program in the  
Takoma/Langley Crossroads

Technological enhancements in the City's law enforcement capabilities

Phase One of the Maple Avenue streetscape improvements

Completion of the Metropolitan Branch Trail project

### **COMMUNITY CENTER FUND**

The Community Center Fund accounts for revenue and expenditure activity attributable to construction of the facility. It became part of the City's financial structure in FY03. Prior to its establishment, expenditures were accounted for in the Special Revenue Funds.

Phase One of the Community Center project was completed in the fall of 2005. As of the date of this transmittal message, certain construction and financial matters associated with Phase One remain unresolved, some of which will be the subject of mediation. These unresolved issues complicated the process of preparing budgetary projections for both FY06 and FY07.

Phase Two of the Community Center project (often referred to as the Community Plaza Level) is still underway as of the date of this transmittal message. Completion is expected by the end of FY06.

#### **Revenues**

The City has utilized intergovernmental revenues and other financing sources to fund the Community Center project. Other financing sources commonly include proceeds from short or long-term borrowing as well as operating transfers from another fund. Information on budgeted and estimated revenues and other financing sources for FY06 is provided for comparative purposes.

<b>Revenue/Financing Source</b>	<b>Budgeted FY06</b>	<b>Estimated FY06</b>	<b>Proposed FY07</b>
Intergovernmental	\$ 941,414	\$ 941,414	\$435,575
Operating transfers in	415,010	732,227	145,192
<b>Total Revenues</b>	<b>\$1,356,424</b>	<b>\$1,673,641</b>	<b>\$580,767</b>

In FY07, the City anticipates that it will receive \$445,575 in Program Open Space Funds. By Resolution No. 2006-20, the City Council authorized the use of \$435,575 for conceptual design and possible eventual construction of a gymnasium as the third phase of the Community Center project. The Program Open Space program requires that the City contribute 25 percent of the total project cost, which equates to \$145,192. The proposed budget assumes that an operating transfer in this amount will be made from the General Fund to the Community Center Fund.

The City has also been awarded \$360,000 in State bond bill monies for FY07. These funds are distributed on a reimbursement basis. Pending further discussion and direction from the City Council regarding the proposed gymnasium project, these monies are not reflected in the Community Center Fund for FY07.

### **Expenditures**

The proposed budget assumes that all outstanding issues related to the Phase One construction are resolved by June 30, 2006 and that Phase Two construction is complete as well.

Community Center Fund expenditures of \$615,767 are anticipated in FY07. Full expenditure of the authorized Program Open Space monies, as well as the City's required match, is assumed. At this juncture, however, the City Council has only authorized the expenditure of funds for a conceptual design of the proposed gymnasium, including parking, and associated cost estimates.

After receipt and review of this study, the City Council will determine whether it wishes to move forward with the gymnasium project. If it chooses not to do so, the remaining Program Open Space monies could be reallocated to another project.

Other than the conceptual design of the proposed gymnasium, it is anticipated that the City will purchase and install an interior signage system for the Community Center. The signage system is projected to cost \$35,000.

The following table summarizes projected expenditures for FY06 by classification of expenditure. Budgeted and estimated expenditures for FY05 are provided for comparative purposes.

<b>Classification of Expenditure</b>	<b>Budgeted FY06</b>	<b>Estimated FY06</b>	<b>Proposed FY07</b>
General Government	\$ 42,943	\$ 78,116	\$ 0
Capital Outlay	1,729,896	1,927,010	615,767
<b>Total Expenditures</b>	<b>\$1,772,839</b>	<b>\$2,005,126</b>	<b>\$615,767</b>

### **SUMMARY**

Adoption of the City's budget is the most important action that the City Council takes each year. The budget represents the City Council's priorities in regard to the delivery of municipal services. It also serves to communicate valuable information regarding the City's current and future financial condition to our residents and to the financial community.



The staff and I look forward to working with you to finalize a budget for FY07 that meets the needs of the Takoma Park community.

Sincerely,

Barbara B. Matthews  
City Manager

**RECONCILIATION  
FROM CITY MANAGER'S PROPOSED BUDGET  
TO ADOPTED BUDGET**

During the course of the budget process, modifications were made to the proposed budget submitted by the City Manager on April 10, 2006. Certain changes resulted from new information received since submission of the proposed budget while some were directed by the City Council. Additionally, certain capital projects included in the FY06 budget that will not be completed by July 1, 2006 were carried over to FY07.

The following table reflects the changes made to the City Manager's proposed budget in terms of revenues:

<b>Fund</b>	<b>Proposed Budget</b>	<b>Adopted Budget</b>	<b>Variance</b>
Special Revenue	\$890,069	\$916,069	\$ 26,000
Community Center	435,575	785,575	350,000
<b>Total</b>	<b>\$19,303,920</b>	<b>\$19,792,767</b>	<b>\$488,847</b>

The following table reflects changes made since the City Manager submitted her proposed budget in terms of expenditures:

<b>Fund</b>	<b>Proposed Budget</b>	<b>Adopted Budget</b>	<b>Variance</b>
General	\$17,444,564	\$17,727,094	\$282,530
Stormwater Management	348,881	349,198	317
Special Revenue	894,708	920,708	26,000
Community Center	615,767	795,767	180,000
<b>Total</b>	<b>\$19,303,920</b>	<b>\$19,792,767</b>	<b>\$488,847</b>

Further information on the changes made to the City Manager's proposed budget can be found on the following pages.

**GENERAL FUND RECONCILIATION  
CHANGES MADE TO CITY MANAGER'S PROPOSED BUDGET  
EXPENDITURES**

		<u>Reason for Adjustment</u>
City Manager's Proposed Budget	17,444,564	
	63,320	Increase in cost of employee health insurance
	37,700	Police car allowance
	(58,000)	Reduction in cost of salt storage facility and timing of expenditures
	3,000	Purchase of larger capacity vehicle for Recreation Department
	20,000	Carry-over of FY06 \$ for Gateway Wayfinding signage
	68,940	Carry-over of FY06 \$ for police cars
	35,000	Carry-over of FY06 \$ for fueling system
	20,000	Carry-over of FY06 \$ for overfill catchment basin, fuel tanks
	(130,000)	Adjustment in police salary costs to reflect current vacancies
	75,000	City's share of Safe Takoma initiative
	55,000	Increase in funding for pedestrian safety/traffic calming projects
	5,000	Archive project
	5,000	Job readiness workshops
	9,000	Defibrillator
	(6,873)	Reclassification of Code Enforcement Officer position
	23,905	Carry-over of FY06 \$ for purchase of pick-up truck
	48,644	Carry-over of FY06 \$ for purchase of dump truck
	7,894	Increase in cost of proposed dump truck purchase in FY07
Adopted Budget	17,727,094	

**STORMWATER MANAGEMENT FUND RECONCILIATION  
CHANGES MADE TO CITY MANAGER'S PROPOSED BUDGET  
EXPENDITURES**

		<u>Reason for Adjustment</u>
City Manager's Proposed Budget	348,881	
	317	Increase in cost of employee health insurance
Adopted Budget	349,198	

**SPECIAL REVENUE FUNDS RECONCILIATION  
CHANGES MADE TO CITY MANAGER'S PROPOSED BUDGET  
REVENUES**

		<u>Reason for Adjustment</u>
City Manager's Proposed Budget	890,069	
	26,000	Supplemental grant for Takoma-Langley CSAFE
Adopted Budget	916,069	

**SPECIAL REVENUE FUNDS RECONCILIATION  
CHANGES MADE TO CITY MANAGER'S PROPOSED BUDGET  
EXPENDITURES**

		<u>Reason for Adjustment</u>
City Manager's Proposed Budget	894,708	
	26,000	Supplemental grant for Takoma-Langley CSAFE
Adopted Budget	920,708	

**COMMUNITY CENTER FUND RECONCILIATION  
CHANGES MADE TO CITY MANAGER'S PROPOSED BUDGET  
EXPENDITURES**

		<u>Reason for Adjustment</u>
City Manager's Proposed Budget	615,767	
	180,000	Installation of an elevator cab in the existing shaft
Adopted Budget	795,767	



# City of Takoma Park, Maryland

